

12H - PROPOSITION 64 - CONSUMER PROTECTION

Operational Summary

Description:

Pursuant to the November 2004 ballot initiative Proposition 64, Fund 12H was established to earmark civil penalties resulting from District Attorney prosecution of unfair competition law cases exclusively for District Attorney enforcement of consumer protection laws.

Strategic Goals:

- To earmark a specific type of civil penalty revenue to the District Attorney for District Attorney enforcement of consumer protection laws.

FY 2005-06 Key Project Accomplishments:

- Collected over \$400,000 in civil penalties to earmark for enforcement of consumer protection laws.

Proposition 64 - Consumer Protection - The Consumer and Environmental Protection Unit of the District Attorney Felony Operations 2 Division prosecutes violation of unfair competition laws in accordance with Proposition 64 requirements. Examples of this type of lawsuit include cases involving deceptive or misleading advertising or violation of state law intended to protect the public well-being, such as health and safety requirements.

Final Budget History:

Sources and Uses	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Total Revenues	911,058	915,601	1,406,559	1,774,201	367,642	26.14
Total Requirements	457	915,601	1,508	1,774,201	1,772,693	117,580.68
Balance	910,601	0	1,405,051	0	(1,405,051)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Proposition 64 - Consumer Protection in the Appendix on page A126

At a Glance:

Total FY 2005-2006 Actual Expenditure + Encumbrance:	1,507
Total Final FY 2006-2007	1,774,201
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Changes Included in the Base Budget:

Transfer \$1 million to the Proposition 64 - Consumer Protection Reserves account in FY 2006-07. This amount represents civil penalties received in 2005.

Highlights of Key Trends:

- California's unfair competition law prohibits any person from engaging in any unlawful or fraudulent business act. This law may be enforced in court by the Attorney General, local public prosecutors, or a person acting in the interest of itself, its members, or the public. Examples of this type of lawsuit include cases involving deceptive or misleading advertising or violations of state law intended to protect the public well-being, such

as health and safety requirements. Proposition 64 was passed by voters on November 2, 2004 to prohibit any person, other than the Attorney General and local public prosecutors, from bringing a lawsuit for unfair competition unless the person has suffered injury and lost money or property and limit the use of monetary penalties recovered by Attorney General or local public prosecutors to enforcement of consumer protection laws.

12H - Proposition 64 - Consumer Protection

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual	Exp/Rev	Budget	As of 6/30/06	Actual Exp/Rev ⁽¹⁾	As of 6/30/06	Final Budget		Actual	
									Amount	Percent
Fines, Forfeitures & Penalties	\$	900,000	\$	0	\$	447,282	\$	350,000	\$ (97,282)	-21.75%
Revenue from Use of Money and Property		11,058		5,000		48,676		70,000	21,324	43.81
Total FBA		0		910,601		910,601		1,354,201	443,600	48.72
Total Revenues		911,058		915,601		1,406,559		1,774,201	367,642	26.14
Services & Supplies		457		915,601		1,508		774,201	772,693	51,251.85
Reserves		0		0		0		1,000,000	1,000,000	0.00
Total Requirements		457		915,601		1,508		1,774,201	1,772,693	117,580.68
Balance	\$	910,601	\$	0	\$	1,405,051	\$	0	\$ (1,405,051)	-100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.